

House Amendment 1600

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1 1 Amend House File 807 as follows:
1 2 #1. Page 1, by inserting before line 1 the
1 3 following:
1 4 <DIVISION I
1 5 DISASTER RECOVERY TAX CREDITS
1 6 Section 1. NEW SECTION. 15.231 DISASTER RECOVERY
1 7 TAX CREDITS.
1 8 1. a. A tax credit shall be allowed against the
1 9 taxes imposed in chapter 422, divisions II, III, and
1 10 V, and in chapter 432, and against the moneys and
1 11 credits tax imposed in section 533.329, for a portion
1 12 of a taxpayer's payment of disaster recovery project
1 13 costs incurred as a result of a natural disaster.
1 14 b. To qualify as a disaster recovery project, a
1 15 property, and the activities affecting the property,
1 16 shall meet all of the following conditions:
1 17 (1) The property is owned by a taxpayer who is an
1 18 individual or business subject to taxation under one
1 19 of the taxes described in paragraph "a".
1 20 (2) The taxpayer employs at least one person.
1 21 (3) The property is uninsured or underinsured.
1 22 (4) The property is located in an area declared a
1 23 disaster area by the governor or by a federal
1 24 official.
1 25 (5) The property has been damaged by the natural
1 26 disaster and is being cleaned up or redeveloped.
1 27 c. An individual may claim a tax credit under this
1 28 section of a partnership, limited liability company, S
1 29 corporation, estate, or trust electing to have income
1 30 taxed directly to the individual. The amount claimed
1 31 by the individual shall be based upon the pro rata
1 32 share of the individual's earnings from the
1 33 partnership, limited liability company, S corporation,
1 34 estate, or trust.
1 35 d. Any tax credit in excess of the taxpayer's
1 36 liability for the tax year is refundable, or the
1 37 taxpayer may elect to have the excess credited to the
1 38 tax liability for the following five years or until
1 39 depleted, whichever is earlier. A tax credit shall
1 40 not be carried back to a tax year prior to the tax
1 41 year in which the taxpayer first receives the tax
1 42 credit.
1 43 2. a. To claim a disaster recovery tax credit
1 44 under this section, a taxpayer must attach one or more
1 45 tax credit certificates to the taxpayer's tax return.
1 46 A tax credit certificate attached to the taxpayer's
1 47 tax return shall be issued in the taxpayer's name,
1 48 expire on or after the last day of the taxable year
1 49 for which the taxpayer is claiming the tax credit, and
1 50 show a tax credit amount equal to or greater than the
2 1 tax credit claimed on the taxpayer's tax return.
2 2 b. After verifying the eligibility of a taxpayer
2 3 for a tax credit pursuant to this section, the
2 4 department shall issue a disaster recovery tax credit
2 5 certificate to be attached to the taxpayer's tax
2 6 return. The tax credit certificate shall contain the
2 7 taxpayer's name, address, tax identification number,
2 8 the amount of the credit, and any other information
2 9 required by the department of revenue.
2 10 c. The tax credit certificate, unless otherwise
2 11 void, shall be accepted by the department of revenue
2 12 as payment for taxes imposed pursuant to chapter 422,
2 13 divisions II, III, and V, and chapter 432, and for the
2 14 moneys and credits tax imposed pursuant to section
2 15 533.329, subject to any conditions or restrictions
2 16 placed by the department upon the face of the tax
2 17 credit certificate and subject to the limitations of
2 18 this section.
2 19 d. Tax credit certificates issued under this
2 20 section are not transferable to any person or entity.
2 21 3. The amount of the tax credit shall be
2 22 determined as follows:
2 23 a. Twenty percent of the first one hundred
2 24 thousand dollars of the costs incurred in a disaster

2 25 recovery project.
2 26 b. Ten percent of any amount greater than one
2 27 hundred thousand dollars but no greater than one
2 28 million dollars of the costs incurred in a disaster
2 29 recovery project.
2 30 4. For purposes of the individual and corporate
2 31 income taxes, the insurance premiums tax, the moneys
2 32 and credits tax, and the franchise tax, the increase
2 33 in the basis of the property that would otherwise
2 34 result from the qualified disaster recovery costs
2 35 shall be reduced by the amount of the credit allowed
2 36 under this part.
2 37 5. The maximum amount of tax credits issued by the
2 38 department under this part shall not exceed thirty
2 39 million dollars.
2 40 6. A payment shall be deemed to have been made on
2 41 the date the qualifying disaster recovery project is
2 42 completed. A payment made prior to July 1, 2008, or
2 43 after June 30, 2010, shall not qualify for a tax
2 44 credit under this part.
2 45 Sec. 2. NEW SECTION. 15.232 APPROVAL ==
2 46 REQUIREMENTS == REPAYMENT.
2 47 1. A taxpayer seeking to claim a tax credit
2 48 pursuant to section 15.231 shall apply to the
2 49 department which shall have the power to approve the
2 50 amount of tax credit available for each disaster
3 1 recovery project. The department shall not approve a
3 2 tax credit for a taxpayer unless the taxpayer agrees
3 3 to compensate employees at the same wage and benefit
3 4 levels after completion of the disaster recovery
3 5 project as the taxpayer compensated employees before
3 6 the natural disaster occurs.
3 7 2. A taxpayer applying for a tax credit shall
3 8 provide the department with all of the following:
3 9 a. Information showing the total amount invested
3 10 in the disaster recovery project.
3 11 b. Information about the financing sources of the
3 12 costs that are directly related to the disaster
3 13 recovery project for which the taxpayer is seeking the
3 14 tax credit.
3 15 c. Information about the compensation of
3 16 employees, including pre-disaster wages and benefits.
3 17 3. If a taxpayer receives a tax credit pursuant to
3 18 section 15.231, but fails to comply with any of the
3 19 requirements, the tax credit is void, and the
3 20 department of revenue shall seek recovery of the value
3 21 of the credit received.
3 22 Sec. 3. NEW SECTION. 422.11X DISASTER RECOVERY
3 23 PROJECT TAX CREDIT.
3 24 The taxes imposed under this division, less the
3 25 credits allowed under section 422.12, shall be reduced
3 26 by a disaster recovery project tax credit allowed
3 27 under chapter 15, part 3.
3 28 Sec. 4. Section 422.33, Code 2009, is amended by
3 29 adding the following new subsection:
3 30 NEW SUBSECTION. 27. The taxes imposed under this
3 31 division shall be reduced by a disaster recovery
3 32 project tax credit allowed under chapter 15, part 3.
3 33 Sec. 5. Section 422.60, Code 2009, is amended by
3 34 adding the following new subsection:
3 35 NEW SUBSECTION. 15. The taxes imposed under this
3 36 division shall be reduced by a disaster recovery
3 37 project tax credit allowed under chapter 15, part 3.
3 38 Sec. 6. NEW SECTION. 432.12M DISASTER RECOVERY
3 39 PROJECT TAX CREDIT.
3 40 The taxes imposed under this chapter shall be
3 41 reduced by a disaster recovery project tax credit
3 42 allowed under chapter 15, part 3.
3 43 Sec. 7. Section 533.329, subsection 2, Code 2009,
3 44 is amended by adding the following new paragraph:
3 45 NEW PARAGRAPH. n. The moneys and credits tax
3 46 imposed under this section shall be reduced by a
3 47 disaster recovery project tax credit authorized
3 48 pursuant to chapter 15, part 3.
3 49 Sec. 8. EFFECTIVE AND RETROACTIVE APPLICABILITY
3 50 DATES. This division of this Act, being deemed of
4 1 immediate importance, takes effect upon enactment and
4 2 applies retroactively to January 1, 2008, for tax
4 3 years beginning on or after that date.
4 4 DIVISION II
4 5 INCOME TAX CHANGES>

4 6 [#2.](#) Page 7, line 18, by inserting after the word
4 7 <This> the following: <division of this>.
4 8 [#3.](#) Title page, line 1, by inserting after the
4 9 words <relating to> the following: <disaster recovery
4 10 tax credits and relating to>.
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4 13 _____
4 14 PAULSEN of Linn
4 15 HF 807.217 83
4 16 mg/sc/22697